accommodation requirements of domestic and foreign budget tourists, greater emphasis is being laid on hotels of less than 4 & 5 star categories.

(b) It is proposed to increase the rate of interest subsidy for 1, 2 and 3-Star category hotels from the present 1 per cent to 3 per cent.

(c) and (d) The Private sector is already playing a major role in the development and promotion of tourism in the country; Government is acting as a catalyst only. To encourage private investment in the tourism/hotel industry, Government has already extended several incentives/concessions to the hotel industry.

Purchase of Airbus-320

65. SHRI V. NARAYANASAMY:
SHRI SURESH KALMADI:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether Government have entered into an agreement to purchase 19 Airbus-320 planes;

(b) whether Government are aware that V-2500 engines, to be fitted in Airbus-320 planes; have been rejected by the Royal Jordanian Airlines and Lufthansa Airlines;

(c) whether Government are also aware that British Airways and Air France, which are at present using 320, have grounded these planes following the crash of one plane on June 26, 1988;

(d) if so, what type of engines Government propose to get fitted in the Airbus 320; and

(e) what action Government are taking to ensure safety of passengers in case it has decided to go ahead with the purchase of this aircraft?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI SHIVRAJ PATIL): (a) Yes, Sir.

(b) Yes, Sir.

(c) A-320 fleet of British Airways, Air France and Air Inter was grounded for one day only.

(d) Airbus A-320 aircraft to be acquired by the Indian Airlines will be powered with V-2500 engine.

(e) A-320 aircraft fitted with V-2500 engine will be delivered to Indian Airlines only after airworthiness certification from the Civil Aviation Authorities.

Unremunerative operations of two Crude carriers of SCI

66. SHRI V. NARAYANASAMY: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether it is a fact that the Shipping Corporation of India is incurring heavy losses by the operation of two very large crude carriers, because of the unremunerative operations and heavy repair expenditure on these vessels; and

(b) what steps Government have taken to make the said ships economically viable or to abandon their sailing?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI RAJESH PILOT): (a) and (b) The operation of the two very large crude carriers M.T. Kanchenjunga and M. T. Koyali of Shipping Corporation of India Ltd. has resulted in profits in 1987-88 and this trend is expected to continue for the balance economic life of these ships i.e. upto 1991-92.